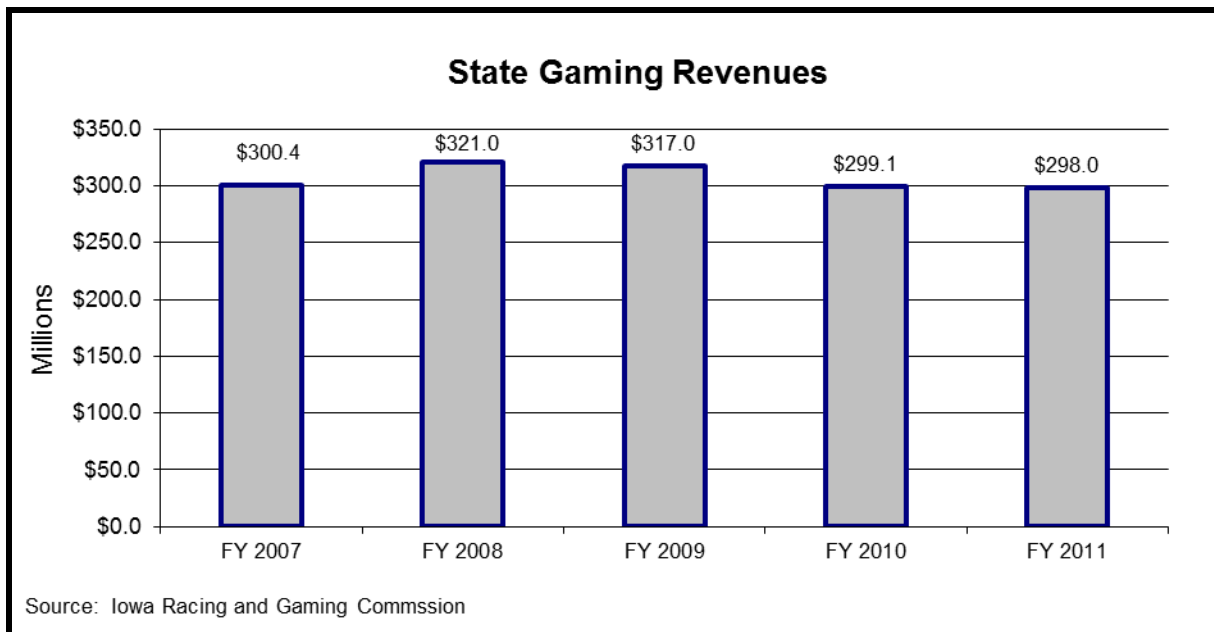


FY 2011 State Gaming Revenues

Revenue collections from Iowa's 18 gaming establishments totaled \$298.0 million for FY 2011. This is \$1.1 million (0.4%) less than the amount collected during FY 2010. The State gaming revenues include State wagering taxes as well as various license and regulatory fees that are remitted to the State. The revenues do not include wagering taxes that are paid to cities and counties as these taxes are not remitted to the State. The gaming establishments paid a total of \$13.1 million in taxes to cities and counties in FY 2011.

The State gaming revenues for FY 2011 were reduced by \$10.6 million due to wagering tax credits claimed by the gaming establishments. The tracks are eligible to claim an annual tax credit totaling \$4.6 million for a total of five years that began in FY 2009 and will end in FY 2013. The amount of the credit over this five-year period will total \$23.0 million and reimburses the tracks for table game license fees paid to the State in FY 2004 and FY 2005. The boats began claiming an annual tax credit totaling \$6.0 million in FY 2011. The boats can claim the annual tax credit over the five-year period of FY 2011 to FY 2015. The following chart shows the total State revenue collections for the last five years



More Information

Iowa Racing and Gaming Commission: <http://www.state.ia.us/irgc/>
Iowa General Assembly: <http://www.legis.iowa.gov/index.aspx>

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FY 2011 State Gaming Revenues

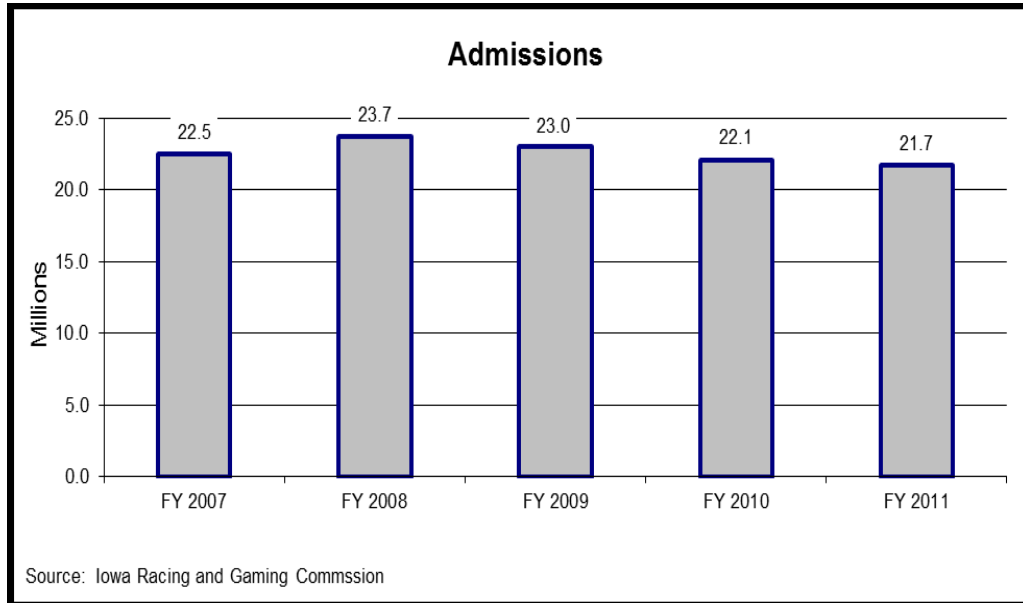
The gaming revenues collected by the State are deposited in various funds according to statute. The following table shows the distribution of the revenue collections for FY 2010 and FY 2011.

Distribution of State Gaming Revenue (Dollars in Millions)				
	FY 2010	FY 2011	Dollar Change	Percent Change
<u>Allocation of Wagering Taxes</u>				
County Endowment Fund	\$ 10.7	\$ 10.5	\$ -0.2	-1.9%
DCA & DED	2.7	2.6	-0.1	
Revenue Bonds Debt Service Fund	0.0	55.0	55.0	--
Federal Subsidy Holdback Fund	0.0	3.8	3.8	--
Vision Iowa Fund	15.0	15.0	0.0	0.0%
School Infrastructure Fund	5.0	5.0	0.0	0.0%
General Fund	66.0	66.0	0.0	0.0%
Rebuild Iowa Infrastructure Fund	188.1	125.9	-62.2	-33.1%
Subtotal	<u>287.5</u>	<u>283.8</u>	<u>-3.7</u>	<u>-1.3%</u>
<u>Other Revenues</u>				
General Fund-Regulatory and Other Fees	11.6	3.6	-8.0	-69.0%
Gaming Enforcement Revolving Fund	0.0	10.6	10.6	--
Subtotal	<u>11.6</u>	<u>14.2</u>	<u>2.6</u>	<u>22.4%</u>
Total	<u>\$ 299.1</u>	<u>\$ 298.0</u>	<u>\$ -1.1</u>	<u>-0.4%</u>
* Regulatory fees are paid to the General Fund by the gaming industry to reimburse the State for the cost of regulation and enforcement of gaming laws. Beginning in FY 2011, the fees associated with cost of enforcement were deposited in the Gaming Enforcement Revolving Fund.				

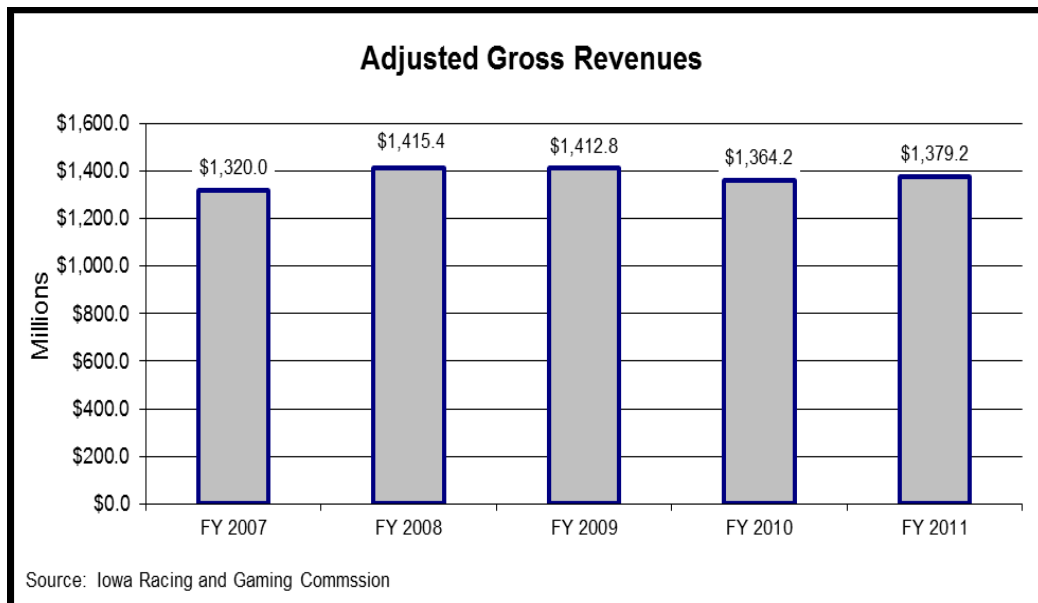
- **County Endowment Fund:** An amount equal to 0.8% of the adjusted gross revenues is allocated to this Fund. The funds are transferred equally to those counties that do not have a licensed casino to be used for funding charitable organizations.
- **DCA & DED:** An amount equal to 0.2% of the adjusted gross revenues is allocated to the Department of Cultural Affairs for cultural grants and operations, and to the Department of Economic Development for tourism marketing. A portion of this allocation is also directed to the General Fund.
- **The Revenue Bonds Debt Service Fund:** \$55.0 million is allocated to pay the debt service on bonds that were issued in July 2009. This was a new allocation for FY 2011.
- **The Federal Subsidy Holdback Fund:** \$3.8 million is allocated to a new Revenue Bonds Federal Subsidy Holdback Fund to ensure the debt service is covered in the event the federal subsidy for the Build America Bonds (part of the 2009 revenue bond issuance) is not received. Once the Treasurer of State receives the federal subsidy, the \$3.8 million is transferred to the Rebuild Iowa infrastructure Fund (RIIF). This was a new allocation for FY 2011.
- **Vision Iowa Fund:** \$15.0 million is allocated to pay the debt serve on bonds issued for the Vision Iowa Program. The Program is used to assist communities in the development of major tourism facilities by providing grants, loans, forgivable loans, pledges, and guarantees.
- **School Infrastructure Fund:** \$5.0 million is allocated to pay the debt serve on bonds issued for the School Infrastructure Program. This Program provided financial assistance to school districts for infrastructure projects.
- **General Fund:** The Iowa Code allocates a total \$66.0 million to the General Fund and is available for appropriation by the General Assembly.
- **Rebuild Iowa Infrastructure Fund (RIIF):** The RIIF receives the revenue remaining after the above allocations have been made. The above table shows the RIIF experienced a decrease of \$62.2 million in FY 2011 compared to FY 2010. This is primarily due to the new allocations of \$55.0 million for the Revenue Bonds Debt Service Fund and \$3.8 million for the Federal Subsidy Holdback Fund.
- **General Fund Regulatory and Other Fees:** These fees are retained by the General Fund for the cost of regulation. The amount shown on the table for FY 2010 includes the fees for enforcement.
- **Gaming Enforcement Revolving Fund:** Beginning in FY 2011, the fees assessed to the casinos for enforcement purposes are deposited in this Fund.

FY 2011 State Gaming Revenues

Admissions to the gaming facilities for FY 2011 decreased 398,000 (1.8%) compared to FY 2010. Admissions totaled 22.1 million in FY 2010 and 21.7 million in FY 2011. Only two of the 18 gaming facilities experienced increases in admissions during FY 2011. The Diamond Jo Casino in Northwood had an increase of 203,000 (16.8%) admissions in FY 2011 and the Ameristar Casino in Council Bluffs experience an increase of 64,000 (3.0%). The new Grand Falls Casino in Lyon County added 174,000 admissions during its first year of operation. All other establishments experienced a combined reduction in admissions totaling 839,000 (4.5%). The following chart compares the total admissions for the last five.



Adjusted gross revenues consist of the total amount wagered less the winnings paid and represent the amount subject to wagering tax. Adjusted gross revenues increased by \$14.9 million (1.1%) in FY 2011 compared to FY 2010. Adjusted gross revenues for FY 2011 were 4.5% higher than five years ago. However, compared to FY 2008, the highest level of adjusted gross revenue during this five-year period, the FY 2011 revenues were 2.6% lower.



FY 2011 State Gaming Revenues

Of the 18 gaming facilities, five had decreases in adjusted gross revenues totaling \$18.4 million (6.0%) compared to the previous year. Twelve of the facilities experienced increases totaling \$28.9 million (2.7%) in adjusted gross revenues compared to FY 2010. The new Grand Falls Casino in Lyon County brought in \$4.4 million in adjusted gross revenues during its first year of operation in FY 2011. The following table shows the adjusted gross revenues for each of the 18 casinos.

Adjusted Gross Revenues				
(Dollars in Millions)				
	<u>FY 2010</u>	<u>FY 2011</u>	<u>Dollar</u> <u>Change</u>	<u>Percent</u> <u>Change</u>
Grand Falls Casino	\$ 0.0	\$ 4.4	\$ 4.4	--
Wild Rose Casino - Emmetsburg	28.7	30.8	2.1	7.4%
Ameristar Casino - Council Bluffs	156.1	164.9	8.9	5.7%
Diamond Jo Worth - Northwood	80.3	83.7	3.5	4.3%
Argosy - Sioux City	57.8	59.8	2.0	3.4%
Isle of Capri - Marquette	29.2	30.0	0.8	2.8%
Terrible's Lakeside Casino - Osceola	48.6	50.0	1.3	2.8%
Wild Rose Casino - Clinton	39.2	40.2	1.1	2.7%
Riverside Casino	85.2	87.3	2.2	2.5%
Prairie Meadows - Altoona	186.6	189.9	3.3	1.7%
Bluffs Run Greyhound Park - Council Bluffs	186.0	189.2	3.2	1.7%
Isle of Capri - Waterloo	80.3	80.7	0.4	0.5%
Isle of Capri - Bettendorf	78.3	78.5	0.1	0.2%
Catfish Bend Casino - Burlington	38.7	38.5	-0.2	-0.5%
Diamond Jo - Dubuque	68.4	67.2	-1.2	-1.7%
Dubuque Greyhound Park	62.1	60.2	-2.0	-3.2%
Rhythm City Casino - Davenport	54.8	49.3	-5.4	-9.9%
Harrah's - Council Bluffs	84.1	74.4	-9.6	-11.5%
TOTAL	<u>\$1,364.2</u>	<u>\$1,379.2</u>	<u>\$ 14.9</u>	<u>1.1%</u>
Source: Iowa Racing and Gaming Commssion				